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Consumer Price Index, Philadelphia-Wilmington-Atlantic City – October 2016 **Area prices up 0.6 percent since August and 1.3 percent over the year**

The Consumer Price Index for All Urban Consumers (CPI-U) for Philadelphia-Wilmington-Atlantic City increased 0.6 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted that the recent advance was led by an increase in the all items less food and energy index (0.7 percent); the energy index also increased (1.4 percent). The food index was unchanged since August. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U increased 1.3 percent. (See [chart 1](#) and [table A](#).) The advance was due almost entirely to a 1.7-percent increase in the all items less food and energy index. The energy index rose 0.5 percent, while the food index declined 0.8 percent over the year. (See [table 1](#).)

Food

After increasing 0.2 percent from June to August, the food index was unchanged over the last two months. A slight increase in prices for food at home (0.1 percent) was offset by an equal decrease in prices for food away from home (-0.1 percent).

The food index decreased 0.8 percent over the year. Prices for food at home declined 2.2 percent, while those for food away from home increased 1.4 percent since last October.

Energy

The energy index, which includes prices for household and transportation fuels, advanced 1.4 percent since August. This was due almost entirely to higher prices for gasoline, up 4.7 percent over the last two months. Prices for utility (piped) gas service also increased since August, up 0.2 percent, while those for electricity declined, down 2.2 percent.

Over the year, energy prices rose 0.5 percent, the first 12-month increase for this index since July 2014. The increase was due mostly to a 2.7-percent advance in gasoline prices. Prices were lower for electricity and utility (piped) gas service, down 1.2 and 0.4 percent, respectively.

All items less food and energy

The index for all items less food and energy rose 0.7 percent from August to October. A seasonal advance in apparel prices (8.4 percent) and higher shelter prices (0.4 percent) were the main contributors to the two-month rise. Lower prices for used cars and trucks helped to moderate the increase in the all items less food and energy index since August.

Since October 2015, the index for all items less food and energy rose 1.7 percent. Prices were higher for a number of indexes including shelter (1.8 percent) and medical care (4.4 percent). Lower prices for recreation (-1.3 percent), among others, moderated the 12-month increase in the all items less food and energy index.

Table A. Philadelphia CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2012		2013		2014		2015		2016	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
February.....	0.7	2.2	0.7	1.8	0.5	1.0	-0.2	-0.1	0.3	0.3
April.....	0.8	2.0	0.1	1.1	0.5	1.4	0.5	0.0	0.9	0.6
June.....	-0.2	1.3	0.3	1.5	0.6	1.8	0.8	0.2	0.3	0.1
August.....	0.9	1.4	0.5	1.1	0.0	1.3	-0.5	-0.3	-0.2	0.3
October.....	0.4	2.2	-0.4	0.3	-0.1	1.6	-0.3	-0.5	0.6	1.3
December.....	-0.9	1.8	0.1	1.2	-0.8	0.6	-0.6	-0.2		

The Consumer Price Index for December 2016 is scheduled to be released Wednesday, January 18, 2017 at 8:30 am (ET).

Technical Note

The Consumer Price Index for Philadelphia-Wilmington-Atlantic City is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase

of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., Consolidated Metropolitan Statistical Area** includes Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., (1982-84=100 unless otherwise noted) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	Aug. 2016	Sep. 2016	Oct. 2016	Oct. 2015	Aug. 2016	Sep. 2016
All items.....		245.386		246.952	1.3	0.6	
All items (1967 = 100).....		708.908		713.431			
Food and beverages.....		232.117		232.155	-0.4	0.0	
Food.....		231.905		231.922	-0.8	0.0	
Food at home.....		239.374	239.055	239.632	-2.2	0.1	0.2
Food away from home.....		216.406		216.105	1.4	-0.1	
Alcoholic beverages.....		231.635		231.929	3.8	0.1	
Housing.....		251.788		252.546	1.3	0.3	
Shelter.....		312.794	313.249	313.964	1.8	0.4	0.2
Rent of primary residence ⁽¹⁾		291.502	290.177	290.616	1.2	-0.3	0.2
Owners' equivalent rent of residences ^{(1) (2) (3)} ..		321.601	321.501	322.162	1.7	0.2	0.2
Owners' equivalent rent of primary residence ^{(1) (2) (3)} ..		321.601	321.501	322.162	1.7	0.2	0.2
Fuels and utilities.....		200.691		199.711	-0.3	-0.5	
Household energy.....		166.710	168.632	165.697	-0.8	-0.6	-1.7
Gas (piped) and electricity ⁽¹⁾		180.239	182.043	177.470	-0.8	-1.5	-2.5
Electricity ⁽¹⁾		192.226	194.369	187.918	-1.2	-2.2	-3.3
Utility (piped) gas service ⁽¹⁾		147.754	148.829	147.993	-0.4	0.2	-0.6
Household furnishings and operations.....		112.772		113.656	-0.9	0.8	
Apparel		109.611		118.777	5.1	8.4	
Transportation.....		198.639		201.027	1.9	1.2	
Private transportation.....		196.881		199.308	1.9	1.2	
Motor fuel.....		190.007	196.509	198.916	2.7	4.7	1.2
Gasoline (all types).....		187.347	193.808	196.160	2.7	4.7	1.2
Gasoline, unleaded regular ⁽⁴⁾		183.829	190.439	192.803	2.7	4.9	1.2
Gasoline, unleaded midgrade ^{(4) (5)}		196.458	202.216	204.491	3.3	4.1	1.1
Gasoline, unleaded premium ⁽⁴⁾		195.666	200.893	203.023	2.8	3.8	1.1
Medical care		512.994		513.147	4.4	0.0	
Recreation ⁽⁶⁾		121.703		121.863	-1.3	0.1	
Education and communication ⁽⁶⁾		133.611		133.979	-0.5	0.3	
Other goods and services		523.008		527.603	3.6	0.9	
Commodity and service group.....							
Commodities.....		174.358		176.633	0.6	1.3	
Commodities less food and beverages.....		142.770		145.803	1.1	2.1	
Nondurables less food and beverages.....		177.947		184.871	3.6	3.9	
Durables.....		103.305		102.815	-2.2	-0.5	
Services.....		317.455		318.418	1.7	0.3	
Special aggregate indexes.....							
All items less shelter.....		223.462		225.199	1.1	0.8	
All items less medical care.....		234.105		235.739	1.0	0.7	
Commodities less food.....		145.908		148.869	1.3	2.0	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	Aug. 2016	Sep. 2016	Oct. 2016	Oct. 2015	Aug. 2016	Sep. 2016
Nondurables.....		205.779		209.668	1.6	1.9	
Nondurables less food.....		181.095		187.614	3.6	3.6	
Services less rent of shelter ⁽²⁾		329.482		330.225	1.6	0.2	
Services less medical care services.....		302.947		303.975	1.6	0.3	
Energy.....		175.369	178.909	177.849	0.5	1.4	-0.6
All items less energy.....		254.952		256.430	1.4	0.6	
All items less food and energy.....		261.474		263.211	1.7	0.7	

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Indexes on a December 1982=100 base.

(3) This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

(4) Special index based on a substantially smaller sample.

(5) Indexes on a December 1993=100 base.

(6) Indexes on a December 1997=100 base.

Note: Index applies to a month as a whole, not to any specific date.